

SENATE LOCAL GOVERNMENT

EXHIBIT NO. 5

BLACKFEET NATION DATE 1.14.09P.O. BOX 850 BROWNING, MONTANA 59415 BILL NO. SB 8
(406) 338-7521 FAX (406) 338-7530**EXECUTIVE COMMITTEE**

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TESTIMONY OF ROGER RUNNINGCRANE
COUNCIL MEMBER, BLACKFEET TRIBE
REGARDING SENATE BILL 8
CREATING REGIONAL RESOURCES AUTHORITIES

Good Afternoon. My name is Roger Runningcrane. I am a member of the Blackfeet Tribal Business Council, and I am here on behalf of the Blackfeet Tribe to offer testimony on Senate Bill 8.

We understand Senate Bill 8 allows for the establishment of regional resource authorities under a charter form of organization. Under a charter, regional resource authorities can exercise any power not prohibited under state law.

Senate Bill 8 is extremely broad and open ended. There is no definition or limitation on the purposes of a regional water authority, and virtually no limitation on powers. As a result, we do not know what to expect from the process. The open-ended nature of the legislation and the lack of specificity about the basic purpose and powers of a regional water authority make it difficult for the Tribe to support the effort.

We understand the bill has been introduced at the request of the St. Mary Working Group that was formed to advocate for the rehabilitation of the Milk River Project St. Mary diversion facilities. The St. Mary facilities divert St. Mary water from the Blackfeet Reservation to the Bureau of Reclamation Milk River Project downstream. The diversion facilities are located on the Blackfeet Reservation, and divert Reservation water through a twenty-nine mile canal on the Reservation. The rehabilitation of these diversion facilities was authorized by Congress under the 2007 Water Resources Development Act.

If this bill becomes law, we understand the St. Mary Working Group seeks to establish a regional resource authority with taxing authority in order to raise the cost share relating to the St. Mary rehabilitation.

Beyond the taxing authority, we do not know what other powers a Milk River regional resource authority will seek to exercise through a charter. That is exactly the concern we have with this bill. We do not know the powers, or even the exact purpose of a Milk River resource authority.

To the extent the resource authority exercises taxing power, the Blackfeet Tribe would oppose any taxation within the Reservation, as contrary to sovereign authority of the Blackfeet Tribes. Our concern may be addressed by the provision in the bill that requires a cooperative agreement with the Tribe in order to include the Reservation, as long as the provision applies to all lands within the Reservation. We want to insure that any activity within the exterior boundaries of the Blackfeet Reservation requires a cooperative agreement with the Tribe.

The Tribe would also oppose a Milk River regional resource authority that would seek to operate and maintain the Milk River Project or the St. Mary facilities, or to be designated the entity to rehabilitate the St. Mary facilities as an agent for the United States. The Bureau of Reclamation, as a federal agency within the Department of the Interior, has a special trust relationship with the Blackfeet Tribe. The Tribe would not support a non-federal entity that has no trust relationship with the Tribe, undertaking any ownership, operation, management, construction, or rehabilitation responsibility relating to the St. Mary diversion facilities on the Reservation or the Milk River Project facilities off the Reservation.

We do not know if a Milk River regional resource authority would seek to exercise such authority, but we want to make clear that this is one of our concerns. We want to clarify whether a cooperative agreement with the Tribe is required if a Milk River resource authority seeks to exercise any authority connected to the rehabilitation or the operation and maintenance of the St. Mary facilities or seeks to exercise any other type of authority within the Reservation boundaries. This is not clear from the legislation.

We would also like to clarify how a Milk River regional resource authority would interface or coordinate with the Milk River Coordinating Committee established under the Fort Belknap Compact. There appears to be at least some potential for conflict or overlap between the two entities.

Finally, since the bill applies state-wide, we ask whether a need for such an organizational structure has been identified on a state-wide basis, and whether there is agreement that the charter form of organization is the best form. At bottom, we wonder whether the

structure under this bill is primarily for the purpose of the Milk River, and if so, whether there is a better way to address issues relating to the Milk River in a more specific and direct manner.

Thank you. I appreciate the opportunity to testify before the Committee today.